

**North Little Rock Municipal Airport
Commission Meeting
September 10, 2007**

The regularly scheduled meeting of the North Little Rock Airport Commission was held September 10, 2007 in the conference room of the Emma Hall Administration Building, 204 Aviation Way in North Little Rock, Arkansas.

Call to Order: Acting Chairman Mark Halter called the meeting to order at 6:00 p.m.

Attendance: Attending commissioners were Sid Crymes, Don Blakey, Mark Halter, Jim Julian and Charlie Kimbrell. Commissioners Rick Ashley and Skipper Polk were absent. Also attending were the Airport Director Willie Elizandro and others as registered on the attendance roster made a part of the record thereof. Mr. Charlie Kimbrell made a motion to excuse the absences of Mr. Ashley and Mr. Polk. Mr. Crymes seconded the motion. All voted aye and the motion passed unanimously.

Disposition of Minutes: A motion was made by Mr. Kimbrell to accept the August 20, 2007 airport commission meeting minutes. Mr. Crymes seconded the motion. All voted aye and the motion passed unanimously.

Financial Report: Director Elizandro presented the August 2007 financial report. He stated we have taken in 66.8 percent of projected revenue and have expended 68.6 percent of projected expenditures through the month of August 2007. He stated normal revenue and expenditures should be at 66.6 percent for the year ending in August. He also briefed the user fees were at 75.4 percent and Investment and Miscellaneous revenue is at 57.3 percent. Personnel Service expenditures are at 64.7 percent and Maintenance and Operation expenditures are slightly higher at 68.6 percent.

Director Elizandro stated there were no delinquent account receivables. He briefed the commission he had mailed out real property tax notices to tenants the latter part of July 2007 and some of the tenants have already paid their taxes. He also told the commission that the real property tax dispute for Northaire, Agee Aviation, Leo Michaels and Cole/Lashbrook/Hutchins had been resolved. Mr. Elizandro briefed the commission that the real property tax bill had been paid to Pulaski County in the amount of about \$6,000.

A motion was made by Mr. Crymes to accept the August 2007 financial report subject to audit. Mr. Kimbrell seconded the motion. All voted aye and the motion passed unanimously.

Old Business

Arloe Design Lease Agreement: Mr. Elizandro presented a signed lease agreement from Arloe Design. Mr. Jake Jacobs of Arloe Design briefed the commission that he believed paragraph 8, concerning insurance, who the loss payee would be and transferability was applicable to someone leasing a building from the airport commission versus his proposed land lease. Mr. Jacob requested the paragraph be deleted from the lease agreement and presented an alternative proposal for the paragraph. Mr. Julian suggested said we should get with the city attorney to develop a standard lease agreement that would include both situations.

A motion was made by Mr. Blakey to approve the lease subject to lessee and the city attorney coming to an agreement on insurance language in paragraph 8 and making the lease contingent on 30 day financing. Mr. Kimbrell seconded the motion. All voted aye, and the motion passed unanimously.

State Airport Aide Grant (SAAG) 100% Funding Allocation \$111,655 Proposal: Director Elizandro presented the commission with an update on the 100% State Airport Aid Grant proposal based on previous approval of the items during the August 20, 2007 Airport Commission meeting. He briefed that those items in excess of \$10,000 were put out for bid. He reminded the commission the SAAG 100% grant must be presented to the Arkansas Aeronautical Department by September 30, 2007 and all the money expended for equipment and projects by June 2008. Mr. Elizandro told the commission that the National Weather Service was unable to get a dollar amount or any further information on the proposed weather kios in time for submittal of the grant.

A motion was made by Mr. Kimbrell to approve the changed list as presented by Mr. Elizandro. Mr. Crymes seconded the motion. All voted aye and the motion passed unanimously.

Airport T-Hangar Development Proposal: Mr. Elizandro briefed the commission that he continues to work the logistics and proper design for the construction of the T-Hangars with Blake Roberson of Garver Engineers. He presented a proposed contract between the Airport Commission and Garver Engineers for the construction of the hangars for commission consideration. Mr. Elizandro said that some of the

services listed in the contract like advertising for bids and inspection of the construction projected can be provided by the city and possibly be used as in kind services toward the grant. Mr. Blakey asked if there was an estimate on the construction costs for the hangars. Mr. Roberson responded that he doesn't have any solid numbers as of the meeting. Mr. Halter suggested adding after the bidding and construction services to "as requested" in the contract. Mr. Roberson concurred.

A motion was made by Mr. Crymes to approve the contract as amended by Mr. Halter. Mr. Kimbrell seconded the motion. All voted aye, and the motion passed unanimously.

Barrett Aviation Proposed Hangar: Mr. Elizandro briefed the commission he had provided a land lease agreement and aero spacing paperwork to Mr. Barrett and neither had been returned for processing. Mr. Barrett stated, due to the proposed construction of a hangar by Mr. Tim Hartwick on the north ramp next to Mr. Rick Stringham's hangar, he wanted approval from the commission to move his proposed hangar site a little further north on the ramp. Mr. Blakey discussed his concern of the 79' spacing required on both sides of the hangar due to the hangar doors opening to the north and south. Mr. Kimbrell also voiced his concern about the potential loss of useable ramp space. Mr. Halter wanted to know of the additional 79' on both sides of the hangar would be part of the lease agreement. Mr. Barrett stated no and that he just wanted the footprint of the hangar. Mr. Barrett said he would have to reconsider his proposal and leave it on the table for now.

New Business

Commission Input on Proposed Lease Agreement: Mr. Blakey suggested that based on previous discussion about paragraph 8 of the lease agreement that there should be different statements in the lease to address the two possible situations discussed. Mr. Elizandro addressed the fuel flowage fee of one cent per gallon in the lease while the current rate is five cents a gallon. Mr. Halter suggested we leave that dollar amount blank for the lease. Mrs. Paula Jones, the assistant city attorney, told the commission she would have two different leases to cover the land lease versus the building lease at the next commission meeting.

McClelland Engineers Work Order #2 Contract: Mr. Daniel Barnes of McClelland Engineers briefed that work order #2 will be a three part study which includes a target industry study, site layout development and economic impact of new businesses at the North Little Rock Airport (see attachment). Mr. Elizandro explained that the \$28,600 for the University of Arkansas at Little Rock economic

study would be paid for by the 100 percent grant money we are seeking and the cite layout development would be paid with another grant since there will be added costs to the economic master plan development. Mr. Julian wanted to know if we were obligating ourselves financially even though the grant has not been approved. Mr. Elizandro stated he has had conversations with the Mr. John Knight at the State Aeronautical Department about the economic development of the airport and he has lead him to believe the state commission will support the endeavor with grant money. Mr. Julian stated for future reference, if we don't have an approved grant to pay for contract services, then the contract would not be enforceable and that the wording should be placed in the engineering contract.

A motion was made by Mr. Julian to approve the contract with the insertion of the clause that payment for contract services is not enforceable unless there is an approved grant. Mr. Blakey seconded the motion. All voted aye and the motion passed unanimously.

Mr. Leo Michiels' Land Lease, Legal Description Change: Mr. Michiels' land lease agreement includes a significant area south and east of his hangar. His lease payment is for the footprint of the hangar. However, he is paying county taxes on the excess areas that he has been unable to develop due to a clause in his agreement that precludes development if the neighboring National Weather Service objects to the construction. He desire is to relinquish control of the excess area back to the airport commission and has included a legal description of the new area.

A motion was made by Mr. Crymes to amend Mr. Michiels' land lease to include the new legal description for the land lease. Mr. Kimbrell seconded the motion. All voted aye and the motion passed unanimously.

Proposed Hangar on North Ramp: Mr. Tim Hartwick attached a letter and rough drawing for a proposed 60" X 50" aircraft hangar with a door that would open to the east side of the ramp. Mr. Hartwick briefed the commission on his proposed hangar and solicited commission approval to proceed with tentative plans for the hangar.

A motion was made by Mr. Kimbrell to allow Mr. Hartwick to proceed forward with his plans for the construction of the hangar on the site requested. Mr. Crymes seconded the motion. All voted aye and the motion passed unanimously.

Committee Reports

Lease Agreement Committee: No report.

Economic Development Report: Mr. Daniel Barnes of McClelland Consulting Engineers briefed the commission he spoke to Mr. Bob Cornish of McGeorge Construction today and he advised they were about two weeks out from the fill dirt delivery.

Director/Security Officer Report: See attachments

Public Comments/Visitors: Mr. Doug McDowell, of the Experimental Aircraft Association, Chapter 165, previously briefed Mr. Elizandro that they had about fifteen Ford Tri-Motor flights on Saturday and four flights on Sunday. The weather played havoc on the scheduled flights.

A motion was made by Mr. Blakey to adjourn the meeting. Mr. Kimbrell seconded the motion. All voted aye and the motion passed unanimously. The meeting adjourned at 6:57 p.m.

Submitted by,

Willie Elizandro